

Meeting Summary

7th Payment System Operator Delivery Group meeting

7 February 2017

Thomas More Square

Present: Robert Stansbury (Chair), Faith Reynolds, Russell Saunders, Becky Clements, Nick Caplan, David Rigney, Jane Bevis

Observers: Justin Jacobs, Dora Guzeleva

Minute taker: Sam Cope

Project team: Natalie Terrell, John Loveday

NPSO Design Criteria

The **PSODG** had a further discussion of aspects of corporate governance, board structure and funding. The following points were discussed to support the further refinement of the PSODG's proposals:

- The PSODG considered, and provided comments on, a set of defined terms to be used in its report to provide clarity about the proposals being made.
- There was a discussion of the appropriate capitalisation of the NPSO. This consideration reflected on the functions that the NPSO would need to perform, but also the regulatory requirements that it would need to meet.
- The group considered the funding that would be needed to establish the NPSO and then complete the consolidation process.
- The PSODG discussed the approach to business as usual funding, agreeing that the detailed funding model would have to be developed by the NPSO board. However, the PSODG would look to establish a series of funding principles that would encourage equity and transparency in the funding arrangements.
- The group considered who could become a guarantor of the NPSO. The emerging thinking was that any legal entity involved in the payments ecosystem could become a guarantor, subject to some 'fit and proper' test.
- There was a discussion of the accountability arrangements for the NPSO board. There was a desire to ensure effective accountability to the guarantors, but also to establish a mechanism to ensure a range of stakeholders (including participants and end users) could influence the NPSO.

The group agreed that there would be further work with the PSOs to help inform the development of a target functional model.

Stakeholder engagement

The group agreed that there should be further stakeholder engagement events on the 7th March:

- A third meeting with the senior leadership teams of BPSL, C&CCCL, FPSL and UKPA.
- A second round table with the members of the PSOs.

In addition, the PSODG chair noted that he had been invited to attend the **Payment Strategy Forum** meeting on 1st March.

NPSO Leadership

The PSODG held an initial discussion on the process that would be followed to appoint a Chair and CEO of the NPSO. Before starting this discussion the PSODG chair invited any member planning to apply for the position of NPSO Chair or CEO to recuse themselves for the discussion.

A.O.B and next steps

The next meeting would be on the 28th February.